

JONES DAY

500 GRANT STREET • SUITE 4500 • PITTSBURGH, PENNSYLVANIA 15219-2514
TELEPHONE: 412.391.3939 • FACSIMILE: 412.394.7959

May 12, 2010

VIA E-MAIL AND U. S. MAIL, PRIORITY OVERNIGHT

Troy King
Office of the Attorney General
State of Alabama
500 Dexter Avenue
Montgomery, AL 36104-3718

James D. "Buddy" Caldwell
Office of the Attorney General
State of Louisiana
1885 N. Third Street
Baton Rouge, LA 70802

Bill McCollum
Office of Attorney General
State of Florida
The Capitol PL-01
Tallahassee, FL 32399-1050

Jim Hood
Office of the Attorney General
State of Mississippi
Walter Sillers Building
550 High Street, Suite 1200
Jackson, MS 39201

Greg Abbott
Office of the Attorney General
State of Texas
300 W. 15th Street
Austin, TX 78701

Dear Generals King, Caldwell, McCollum, Hood, and Abbott::

We represent Transocean Holdings LLC ("Transocean"). Transocean acknowledges with thanks receipt of your letter concerning the explosion and fire aboard the Mobile Offshore Drilling Unit ("MODU") DEEPWATER HORIZON that occurred approximately 45 miles offshore from Louisiana on the Mississippi Canyon Block 252 in the Gulf of Mexico.

Transocean, misidentified by the National Pollution Fund Center as Transocean Holdings Inc., has been designated as a Responsible Party. Under the Oil Pollution Act of 1990 ("OPA"), Transocean, as the operator of the MODU DEEPWATER HORIZON, is the responsible party for any oil discharge on or above the surface of the water from the vessel. 33 U.S.C. § 2704(b). However, BP, rather than Transocean, is the responsible party under OPA for the ongoing discharge of oil from the well head which is occurring nearly a mile under the surface of the water. Transocean intends to fulfill its obligations as a responsible party for the discharge on or above the surface of the water emanating from the vessel and assumes that BP will similarly fulfill its obligations under OPA for the ongoing discharge from the well head.

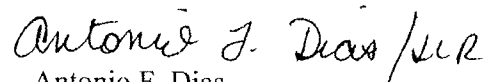
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A joint governmental investigation conducted by the United States Coast Guard and the United States Minerals Management Service is underway. Transocean is providing its full cooperation to that investigation, and will do the same with respect to any future investigations that may be undertaken.

In the meantime, Transocean, as directed by BP and governmental authorities, is doing everything it can to assist in this situation.

Sincerely,


Antonio F. Dias

cc: Nancy MacKimm, Jones Day Houston